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Message Text

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ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 /026 W
----------063300 311844Z /45
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FM AMEMBASSY CARACAS
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C O N F I D E N T I A L SECTION 1 O 4 CARACAS 3007

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FOR ARA - MCNEIL AND S/S ONLY

E.O. 11652: GDS
TAGS: PEPR, VE, US
SUBJECT: FIRST PEREZ-CARTER BILATERAL

1. PER VAKY-MCNEIL TELCON MARCH 29, ALTHOUGH PASTOR, NSC, WAS OFFICIAL NOTE TAKER, THE FOLLOWING IS THE TRANSCRIPTION OF THE AMBASSADOR'S NOTES ON THE FIRST BILATERAL ON MARCH 28, FYI ONLY. THEY ARE INCOMPLETE, SINCE THE AMBASSADOR WAS CALLED OUT OF THE MEETING THREE TIMES--GAPS ARE NOTED BELOW. WE REPEAT THAT THE FOLLOWING TEXT IS UNCLEARED AND INFORMAL AND FOR YOUR GENERAL INFORMATION ONLY:

2. I. PANAMA CANAL. PRESIDENT PEREZ (CAP) ASKED PRESIDENT CARTER FOR HIS ESTIMATE OF THE CANAL TREATY RATIFICATION PROBLEM. PRESIDENT CARTER SAID THAT THIS WAS THE MOST DIFFICULT POLITICAL ISSUE HE HAS EVER FACED, WITH THE VOTE STILL VERY CLOSE. WE ARE DETERMINED, HE SAID, THAT WHEN THE PROCESS IS COMPLETED THERE SHALL HAVE BEEN ON INSINUATION OF ANY US INTENT TO INTERVENE IN PANAMA'S INTERNAL AFFAIRS. SOME OF THE LANGUAGE OF THE RESERVATIONS WAS UNFORTUNATE, AND WE WILL MAKE EVERY EFFORT TO CORRECT THE MISTAKES IN CONFIDENTIAL

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THE PROCESS OF RATIFYING THE SECOND TREATY.

3. PRESIDENT CARTER SAID THAT CAP COULD HELP BY ADDING HIS VOICE TO HIS OWN IN COUNSELING TORRIJOS TO BE MODERATE AND TO WAIT FOR THE PROCESS TO BE COMPLETED. THOSE WHO OPPOSE THE TREATY WELCOME ANY SIGN OF DISHARMONY BETWEEN THE US AND PANAMA, AND THIS SHOULD BE AVOIDED.

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WE ARE REASONABLY SURE, PRESIDENT CARTER SAID, THAT WE CAN ACCOMPLISH WHAT WE HAVE SET OUT TO DO.

4. CAP EXPRESSED HIS CONCERN OVER THE DECONCINI AMENDMENT. WHEN HE LEARNED OF IT, HE TELEPHONED TORRIJOS AND COUNSELED HIM NOT TO REACT BUT TO WAIT. CAP SAID THAT TORRIJOS HAD DESCRIBED HIS CONVERSATION WITH WASHINGTON AND HAD AGREED THAT HE SHOULD WAIT UNTIL THE PROCESS WAS COMPLETED AND TO EVALUATE THE SITUATION THEN. TORRIJOS HAD WANTED TO COME TO CARACAS, BUT CAP SAID HE TALKED HIM OUT OF IT ON THE GROUNDS THAT IF HE WERE HERE THE PRESS WOULD FORCE HIM TO MAKE A STATEMENT. HE SENT ROYO, AND CAP HAD A LONG CONVERSATION WITH HIM. THEY AGREED, CAP SAID, THAT THE WORDING OF THE DECONCINI RESERVATION WAS "UNACCEPTABLE." IT WAS ALSO UNNECESSARY, CAP ADDED, SINCE THE US HAD THE POWER TO DO WHAT IT PROPOSED ANYWAY. WAR IS SIMPLY DECLARED; IT IS NOT ANNOUNCED AHEAD OF TIME.

5. TORRIJOS BELIEVES, CAP SAID, THAT SOME KIND OF DECLARATION SHOULD BE MADE IN THE SECOND TREATY PROCESS TO OFFSET THE PUBLIC IMPACT OF THE DECONCINI AMENDMENT. CAP SAID HE HAD WORKED OUT SUGGESTED WORDING WHEN ROYO WAS HERE, AND HE WANTED TO GIVE PRESIDENT CARTER AN AIDE MEMOIRE WITH THAT WORDING (CAP HANDED THE PRESIDENT THIS MEMO). IF SOMETHING LIKE THIS WAS NOT DONE, CAP
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SAID, THE SITUATION WOULD BE DANGEROUS.

6. CAP SAID THAT TORRIJOS HAD SENT A LETTER TO EACH LATIN AMERICAN CHIEF OF STATE DESCRIBING WHAT HAS HAPPENED AND HIS VIEW.

7. PRESIDENT CARTER SAID THAT WE SHARED CAP'S VIEWS AND CONCERN, AND THESE VIEWS WERE VERY HELPFUL TO HIM.

8.II. NON PROLIFERATION. PRESIDENT CARTER SAID THAT ARGENTINA HAD PROMISED TO RATIFY THE TLATELOCO TREATY SOON. ALTHOUGH THEY HAVE SAID THIS BEFORE, THEY HAD SENT A MESSAGE THIS MONTH INDICATING THEY ARE GETTING READY TO DO SO.

9. THE US CONGRESS HAD PASSED A LAW ON NUCLEAR ENERGY. WHICH CLEARLY SPEELS OUT THE US POSITION IN NUCLEAR FUEL. PRESIDENT CARTER SAID HIS VISIT TO BRAZIL WOULD BE USED TO EXPLAIN OUR POSITION FULLY; HE WAS AFRAID THAT BRAZIL MAY NOT HAVE COMPLETELY UNDERSTOOD IT. WE BELIEVED IT WAS RELATIVELY EASY TO COOPERATE IN WAYS WHICH WILL NUCLEAR POWER AND AT THE SAME TIME ELIMINATE THE DANGER OF WEAPON PRODUCTION.

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10. CAP SAID THAT DURING HIS CONVERSATIONS WITH GEISEL (NOVEMBER 1977) HE EXPRESSED SOLIDARITY WITH US POLICY. GEISEL WAS UPSET, AND TOOK THE POSITION THAT ONE COULD NOT KEEP BRAZIL FROM DOING THE THINGS THAT THE US HAS ALREADY DONE. CAP TOLD HIM THAT WHATEVER THE US HAS ALREADY DONE, THE WORLD CANNOT AFFORD UNRESTRAINED PROLIFERATION. IT WAS BECAUSE OF ASPIRATIONS IN THIS AREA, CAP SAID, THAT HE HAD PROPOSED A MULTINATIONAL LATIN AMERICAN RE-PROCESSING CENTER, UNDER THE AUSPICES OF OLADE OR SELA, AS A WAY OF OVERCOMING JEALOUSIES AND SATISFYING NEEDS. BRAZIL, OF COURSE, WAS ALSO WORRIED ABOUT ARGENTINA. GEISEL SAID THAT FIRST HE WANTED TO TALK TO PRESIDENT CARTER; THEN HE WOULD TALK TO THE GOV ABOUT THE MULTI-
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NATIONAL CENTER PROPOSAL.

11. PRESIDENT CARTER SAID THAT WE HAVE TRIED THE REPROCESSING ROUTE AND HAVE FOUND IT UNSATISFACTORY. THE INTERNATIONAL NUCLEAR FUEL CYCLE STUDY WHICH WILL BE COMPLETED SOON WILL PROBABLY RECOMMEND REGIONAL CENTERS UNDER INTERNATIONAL SAFEGUARDS, PRECISELY TO OVERCOME NATIONAL SENSITIVITIES. HE EXPRESSED THE VIEW THAT BOTH GERMANY AND FRANCE REALIZE THE PROBLEMS AND WOULD PROBABLY NOT OFFER THE SAME KIND OF ARRANGEMENTS NOW THAT THEY DID THEN.

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TO SECSTATE WASHDC IMMEDIATE 1776

C O N F I D E N T I A L SECTION 2 OF 4 CARACAS 3007

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12. PRESIDENT CARTER SAID THAT COMMON EXPRESSIONS OF CONCERN WOULD BE USEFUL IN DRAWING THE DISTINCTION BETWEEN LEGITIMATE DESIRES FOR PEACEFUL USE OF NUCLEAR ENERGY AND ARMS PRODUCTION. HE ALSO NOTED THAT BRAZIL HAS THORIUM, AND THIS IS A PROMISING SOURCE OF FUEL WHICH WOULD AVOID THE PLUTONIUM PROBLEM. GEISEL IS DISCUSSING THE USE OF THROIUM, AND THIS MAY BE AN AEVENUE OUT OF THE PRESENT PROBLEM. PERHPAS, THE PRESIDENT SAID, THE US PUSHED TOO FAR TOO FAST WITH BRAZIL, BUT WE WILL DISCUSS THESE MATTERS.

13. III. MIDDLE EAST. CAP EXPRESSED CONCERN OVER THE MIDDLE EASTERN SITUATION. HE RECLLED THAT HE HAD TOLD SECRETARY VANCE DURING THE LATTER'S NOVEMBER VISIT, THAT THE SADAT VISIT TO ISRAEL COULD END UP BEING VEY DANGEROUS IF IN FACT ISRAEL DID NOT RESPOND. THAT SEEMS TO BE WHAT HAS HAPPENED. BEGIN APPEARS TOUGH AND INTRANSIGENT.

14. CAP SAID HE REALIZES THE DIFFICULTIES ALL THIS PRESENTS THE US, GIVEN THE JEWISH VOTE. BUT THE SITUATION WAS AT A DANGEROUS POINT. THE TIME HAS COME FOR THE US CONFIDENTIAL

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TO TAKE A DECISIVE, TOUGH POSITION. SADAT IS IN DANGER, AND THE EXTREMISTS ARE GAINING IN INFLUENCE. THE SITUATION MAY GET OUT OF HAND AND OUT OF US CONTROL.

15. CAP ADDED THAT WHEN HE WAS IN MOSCOW (NOVEMBER 1976) THE URSSIKNS INDICATED TO HIM A DESIRE TO REACH AGREEMENT WITH THE US ON A MIDDLE EAST SOLUTION AND WERE IN EFFECT WAITING FOR THE CA P SDHRWNISTRATION TO TAKE POWER. THE SITUATION IS CONFUSED AND DANGEROUS, AND CAP SAID HE WOULD LIKE PRESIDENT CARTER'S VIEWS.

16. PRESIDENT CARTER RESPONDED THAT THE US HAD DEVELOPED A POSITION, AND A SERIES OF RECOMMENDATIONS WHICH WERE RESONABLY COMPATIBLE WITH PRINCIPLES ISRAEL HAD ESPOUSED IN THE PAST, AND WHICH WERE NOT ACCEPTABLE TO SADAT. THE PROBLEM IS THAT BEGIN NO LONGER ESPOUSES THESE PRINCIPLES. EVEN IF ISRAEL SECURITY WERE ASSURED AND ISRAEL TROOPS WERE ON THE WEST BANK, THERE WERE THREE KEY PROBLEMS: (A) ISRAEL REFUSES TO TERMINATE CIVILIAN SETTLEMENTS ON OCCUPIED TERRITORY; (B) IT REFUSES TO ALLOW PALESTINIANS TO HAVE A VOICE IN THEIR FUTURE; AND (C) IT REFUSES TO RECOGNIZE THAT UN RESOLUTION 242

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APPLIES TO THE WEST BANK. IF BEGIN HOLDS TO THESE
POSITIONS, NO PROGRESS CAN BE MADE.

17. IT MAY BE, PRESIDENT CARTER INDICATED, THAT INTERNAL
PRESSURES IN ISRAEL WILL LEAD TO MODIFICTIONS. THE BEST
THING TO DO OVER THE NEXT FEW WEEKS WAS TO REMAIN QUIET
AND LET INTERNAL PRESSURES IN ISRAEL OPERATE AND TAKE
ROOT. SADAT, HE SAID, IS FLEXIBLE, BOLD AND FORTHCOMING.
BUT HE BELIEVES WE HAVE MORE INFLUENCE OVER ISRAEL THAN WE
DO. OUR INFLUENCE, HOWEVER, IS LIMITED. WE WILL PURSUE
THE IDEAS WE HAVE PUT FOWARD, BUT THERE ARE LIMITATIONS.
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18. CAP SAID THAT WHEN HE WAS IN VIENNA (MARCH 1977)
KRIESKY TOLD HIM HE WAS COMMISSIONED BY THE EC TO MAKE A
REPORT. HE HAD PREPARED IT AND WAS WAITING TO SEE THE
RESULTS OF THE ISRAELI ELECTION. HE HAD THOUGHT THAT
THE ANALYSES AND RECOMMENDATIONS WOUL HAVE BROUGHT
CONSTRUCTIVE PRESSURES ON WHOMEVER WON THAT ELECTION.
SINCE KRIESKY WAS A JEW AND AUSTRIA A NEUTRAL THIS SHOULD
HAVE BEEN THE CASE. BUT NOTHING EVER HAPPENED. WAHT
EUROPE'S POSITION WOULD BE IS CONFUSED.

19. PRESIDENT CARTER SAID THAT HE BELIEVED THAT MANY
LEADERS, INCLUDING CAP, HAD STAYED ALOOF IN DEFERENCE TO
THE US, SO AS NOT TO INTERFERE WITH WHAT WE WERE TRYING
TO DO. WHILE HE DID NOT WANT TO RECRUIT LEADERS AGAINST
ISRAEL, THE FACT IS THAT THE US CANNOT BE THE ONLY VOICE
TO EXPRESS WORLD WIDE CONCERN. WHILE HE HAS NOT CONSULTED
WITH OTHER LEADERS EXCEPT FOR CAP, HE WILL PROBABLY NOW DO
SO. IT WOULD BE HELPFUL IF ISRAEL COULD BE MADE TO
REALIZE THAT THE WORLD EXPECTS RESOLUTION 242 TO BE
HONORED.

20. PRESIDENT CARTER SAID THAT THE ISRAEL CABINET HAD
SUPPORTED BEGIN, BUT THAT WAS AFTER A FIVE-HOUR DEBATE.
HE ALSO UNDERSTOOD THAT DEFENSE MINISTER WEIZMAN WOULD
BE GOING TO EGYPT. IF TRUE, THAT IS HOPEFUL. IT HAD
BEEN NECESSARY TO CONFRONT BEGIN, PRESIDENT CARTER SAID,
TO CLARIFY, FOR THE FIRST TIME IN TEN YEARS, THE DIFFERENCES
THAT EXIST BETWEEN US. UP TO NOW ISRAEL HAD BEEN
SUCCESSFUL IN FUZZING OVER AND CONCEALING THESE. THIS IS
NOW IN THE OPEN.

21. CAP SAID THAT A GREAT WORRY HE HAD WAS HOW LONG SADAT
COULD RESIST ARAB PRESSURES, ESPECIALLY THE MORE EXTREME
CIRCLES. PRESIDENT CARTER SAID THAT SADAT HAD THE SUPPORT
OF MOROCCO, SUDAN, JORDAN, AND SAUDI ARABIA. HE IS SAFE FOR
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A FEW MORE WEEKS, PERHAPS MONTHS. THE ARABS WANT PEACE SO DESPERATELY THAT THEY WILL ACCEPT ANY REASONABLE FORMULA SADAT CAN WORK OUT, WHATEVER THEY SAY PUBLICLY, SADAT, CARTER SAID, WAS CLOSE TO HIM AND A GOOD FRIEND. HE TRUSTS THE US ALMOST COMPLETELY, BUT HE UNFORTUNATELY HAS AN EXAGGERATED IDEA OF THE EXTENT OF US INFLUENCE OVER ISRAEL.

2. (THERE IS A GAP HERE IN THE NOTES.)

23. ON GENEVA, THE US IS PREPARED TO GO AT ANY TIME. BUT THE QUESTIONS OF AGENDA, DATES AND PROCEDURES HAVE PROVEN MORE DIFFICULT THAN SUBSTANCE. IT WAS BECAUSE SADAT BECAME IMPATIENT OF THIS THAT HE TRIED THE END-RUN OF HIS VISIT TO JERUSALEM. THE US WOULD LIKE TO WORK OUT A PROPOSAL ACCEPTABLE TO EGYPT AND JORDAN. ASKED IF THIS MIGHT BE A US-USSR JOINT PROSPECT, PRESIDENT CARTER OBSERVED THAT NO NATION WHICH IS A NEIGHBOR OF ISRAEL DESIRES TO SEE THE USSR PLAY A MAJOR ROLE, CERTAINLY NOT EGYPT AND JORDAN AND NOT EVEN SYRIA. ANY FURTHER PROPOSAL WE MAKE WILL PROBABLY BE A US PROPOSAL. WE WOULD, HOWEVER, CONSULT

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ACTION SS-25

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THE USSR AND KEEP THEM INFORMED.

24. CAP SAID HE UNDERSTOOD THE SAUDIS WERE ALSO INTRANSI-
GENT ON THE ISSUE OF A PALESTINIAN HOMELAND. PRESIENT
CARTER SAID MANY OF THE LEADERS IN THE REGION TOOK A
DIFFERENT POSITION PRIVATELY THAN THEY DID PUBLICLY.
THEY WANT PEACE SO BADLY THEY WOULD MODIFY THEIR POSITION
TO ACCEPT A SADAT-ISRAELI SOLUTION, EVEN IF RELUCTANTLY.

25. PRESIDENT CARTER SAID THAT HE WOULD BE HAPPY TO
ANSWER ANY FURTHER QUERIES CAP MAY HAVE ON THE MIDDLE
EAST IN THE FUTURE ON A PRIVATE, CONFIDENTIAL BASIS.

25. IV. AFRICA. CAP SAID THAT HE WOULD LIKE TO DISCUSS
AFRICA. THE PROBLEM OF THE HORN APPEARS TO BE ON THE
WAY TO SETTLEMENT, BUT THAT IS NOT THE CASE WITH RHODESIA,
NAMIBIA AND SOUTH AFRICA. HAVING RECEIVED CARTER'S
LETTER, CAP SAID, HE EXPRESSED HIS CONCERN TO CASTRO.
CASTRO, HOWEVER, IS DEEPLY COMMITTED WITH THE USSR. THE
CUBANS DEFEND THEIR POSITION ARGUING THAT THE US INTERVENES,
AND THAT WHILE THEY WILL NOT INTERVENE IF THEY ARE ASKED
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FOR HELP BY A LEGITIMATE GOVERNMENT, THEY HAVE THE RIGHT
TO AGREE TO HELP.

26. PRESIDENT CARTER SAID THAT WE SEE A PROSPECT OF
ADDITIONAL MILITARY ACTION BY THE CUBAN/SOVIET FORCES
IN ETHIOPIA AGAINST ERITREA. HE NOTED THAT THE CUBANS
HAVE 16,000 TROOPS IN ETHIOPIA ALONE. IN ANGOLA THERE ARE
MORE THAN 20,000. THERE HAS BEEN AN INCREASE IN THE
PAST YEAR, THE ETHIOPIAN CONTINGENT REPRESENTING A NEW
MOVEMENT. THE CUBANS ACT AS THE AGENTS OF THE USSR, OR
PERHAPS VICE VERSA; IT IS ALL VERY CONVENIENT FOR THEM.

27. WHAT WORRIES THE US, PRESIDENT CARTER SAID, IS NOT
JUST THE ACHIEVEMENT OF PEACE IN THE HORN, BUT THAT THE
CUBANS MAY EFFECT A PERMANENT PLACEMENT OF TROOPS ON THE
CONTINENT. WE SEE CUBAN INTERVENTION AS SERIOUS THREAT
TO PEACE.

28. (THE AMBASSADOR WAS CALLED OUT AT THIS POINT, AND
HIS NOTES DO NOT COVER THE REST OF THE AFRICAN DISCUSSION;
THE PRESIDENT DID DESCRIBE THE US INITIATIVE IN NAMIBIA.)

29.V. BELIZE. CAP LABELLED THE BELIZE PROBLEM AS
DANGEROUS FOR CENTRAL AMERICAN PEACE. HE SAID
PRIME MINISTER PRICE HAD RECENTLY VISITED HIM. HE TRIED
TO CONVIENCE PRICE TO CEDE A SMALL AMOUNT OF TERRITORY,
EVEN TO LABELLING IT NOT A CESSION BUT A "RECTIFICATION

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OF BOUNDARIES." PRICE SAID NO ONE IN BELIZE WOULD
SUPPORT A TERRITORIAL CESSION AS THE PRICE OF AGREEMENT.
PRICE WAS READY TO AGREE TO SEAWARD LIMITS THAT WOULD GIVE
GUATAMALA GREATER ACCESS TO THE SEA THROUGH THE KEYS.

30. AT PRESIDENT CARTER'S REQUEST, SECRETARY VANCE
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DESCRIBED HIS CONVERSATIONS WITH PRICE WHICH TOOK PLACE
TWO DAYS AGO AND AFTER CAP'S TALK WITH PRICE. PRICE
TODL HIM HE WOULD NOT CEDE TERRITORY, BUT WOULD PROVIDE
THE MARITIME ACCESS. SECRETARY VANCE SAID THAT HE
THOUGHT A MINOR CESSION WAS THE BEST WAY TO RESOLVE THE
PROBLEM, BUT THIS WAS NOT ACCEPTED BY PRICE. THE
SECRETARY ADDED THAT IT APPEARED THAT TIME HAS RUN OUT
AND THAT THIS SOLUTION MAY NOT WORK. PRICE TOLD HIM THAT
HE WAS TRYING TO STRUCTURE A MULTINATIONAL DEFENSE
AGREEMENT TO GUARANTEE BELIZEAN TERRITORY. HE CLAIMED
THAT PANAMA HAD AGREED TO A DEFENSE ARRANGEMENT, BUT WILL
NOT SAY SO PUBLICLY. PRICE PRESSED VANCE FOR SUPPORT,
AND WAS TOLD THAT WE ANTED TO CONSULT WITH OTHERS,
INCLUDING UK AND GOV. THE SECRETARY ADDED THAT THE
COUNTRIES PRICE HAS TALKED TO IN THE CARIBBEAN HAVE NO
DEFENSE FORCES, SO ANY SUCH ALLEGED DEFENSE ARRANGEMENT
IS UNREALISTIC.

31. CAP SAID THAT HE HAD TOLD PRICE HE WAS OPPOSED TO
THE BELIZEAN REQUEST FOR A DEFENSE FORCE. THAT WAS NO
SOLUTION TO THE PROBLEM. MOREOVER, GUATEMAL COULD TKAE
IT AS A HOSTILE ACT. GUATEMALAN DESIRE FOR TERRITORY IS
VARY LARGE; IF IT COULD BE REDUCED TO A TOKEN CESSION,
THIS MIGHT WORK. CAP SAID THAT HE WAS WORRIED ABOUT
PRESIDENT-ELECT LUCAS, WHO HE FELT WAS DIFFICULT AND WOULD
BE TEMPTED TO MAKE BELIZE AN ISSUE AS AN ESCAPE VALVE FOR
INTERNAL PROBLEMS. VENEZUELA, CAP SAID, HAD TRIED TO
PUSH AN AGREEMENT. THE MARITIME ACCESS IDEA OF PRICE'S
IS A GOOD ONE; COMBINED WITH A TOKEN CESSION IT WOULD
PROVIDE A SOLUTION PRICE COULD ACCEPT. NOW IS THE TIME
TO PUSH FOR THAT IDEA. CAP SAID HE WOULD TAKE ADVANTAGE
OF HIS JUNE VISIT TO KINGSTON TO DISCUSS THIS WITH MANLEY
AND PERHPAS INVITE PRICE TO MEET CONFIDENTIALLY AND
PRIVATELY WITH THEM THERE. PRICE, OF COURSE, IS IMPATIENT
AND IS SEEKING CARIBBEAN AND AFRICAN SUPPORT FOR HIS
POLICY.
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32. AFTER THE SECRETARY SAID THE UK SEEMS TO HAVE THROWN UP ITS HANDS OVER THE PROSPECT OF NEGOTIATING ANYTHING, PRESIDENT CARTER ASKED WHAT FORUM COULD BE USED TO PERSUADE PRICE. CAP SAID THAT THE BRITISH ARE RELAZED ABOUT THE WHOLE PROBLEM BECAUSE THEY KNOW THAT IT IS A HEMISPHERE PROBLEM THAT WE WILL HAVE TO SETTLE SOONER OR LATER. HENCE, HE THOUGHT WE SHOULD DEAL DIRECTLY WITH PRICE. IF "TECHNICIANS" COULD DRAW UP A FEASIBLE BOUNDARY ADJUSTMENT AND EVEN PREPARE A MAP, A SMALL GROUP COULD MEET WITH PRICE AND PERSUADE HIM. HE REPEATED THAT HE WOULD TALK TO MANLEY IN JAMAICA NEXT MONTH.

33. SECRETARY VANCE SAID THAT MEXICO WAS IMPORTANT IN THIS PICTURE, AND MEXICO HAD OPPOSED CESSION OF TERRITORY. CAP SAID THAT WAS BECAUSE IT ALSO HAD CLAIMS AND IF SOME CLAIMS WERE TO BE MET, MEXICO WANTED A PIECE OF THE ACTION. BUT THAT IS NOT A DEFENSIBLE POSITION. CAP SAID HE WAS PROPOSING ASETTLEMENT WITH GUYANA ALONG THE SAME LINES--A SMALL BORDER ADJUSTMENT IN RETURN FOR FOREGOING LARGER CLAIMS.

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34. VI. NICARAGUA. CAP SAID THAT SOMOZA'S AUTHORITY NO LONGER EXISTS IN NICARAGUA. HE DEPENDS UPON THE NATIONAL GUARD, AND THAT IS ALL THAT KEEPS HIM IN POWER. THE DANGER IS THAT THE SANDINISTAS ARE GROWING IN POWER AND NOW HAVE THE SUPPORT OF ALL ANTI-SOMOZA FACTIONS. THE

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SITUATION IS LIKE THAT OF BATISTA. IT WOULD BE BETTER
IF SOME CONTROL COULD BE EXERCISED OVER THE TRANSITION,
AS HAPPENED IN VENEZUELA IN 1958 WITH PEREZ JIMENEZ.
CAP SAID HE UNDERSTANDS THAT THERE ARE RETIRED NATIONAL
GUARD OFFICERS WHO COLD HEAD UP A JUNTA. IF THE SITUATION
IS LEFT TO SOMOZA'S DEPARTURE OR DEATH, A VERY DANGEROUS
SITUATION WILL DEVELOP. SOME DAY THE US WILL FIND IT
NECESSARY TO TAKE ACTION SUCH AS IT DID IN THE DR IN
1965 BECAUSE OF THE EXTREMIST SOLUTION THAT COULD OCCUR.

35. PRESIDENT CARTER SAID HE BELIEVED CAP'S DESCRIPTION
OF THE DNAGERS WAS ACCURATE. BUT IT WAS DIFFICULT TO
KNOW WHAT TO DO. WHILE WE HAVE FROZEN THE AID PROGRAM,
THE US COULD SIMPLY NOT PROPOSE DIRECT US ACTION TO CHANGE
A HEAD OF STATE. THIS KIND OF INTERVENTION WOULD NOT BE
ACCEPTABLE TO THE US PUBLIC OR PROBABLY TO THE HEMISPHERE.
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36. CAP THOUGHT THAT THE OAS MACHINERY COULD BE USEFUL
IN THIS CONNECTION. PERPHAS A VENEZUELAN PROPOSAL FOR
INVESTIAGATION OF HUMAN RIGHTS, FOR EXAMPLE, WITH SUPPORT
FROM OTHERS WOULD BE USEFUL. IT COULD OPEN A WAY FOR A
MODERATE SOLUTION. THE OAS MACHINERY HAS BEEN USED THIS
WAY ON OTHER OCCASIONS. PRESIDENT CARTER OBSERVED THAT
THAT WOULD DEPEND UPON THE PROPOSAL. HE WAS NOT SURE
THAT THE MACHINERY PROVIDED A MECHANSIM TO DEPOSE A
COUNTRY'S LEADER. CAP SAID WHAT HE MEANT WAS TO PUT
PRESSURE ON THE ACTORS TO MOVE FOR A SOLUTION. VENEZUELA,
HE SAID, NEITHER SEEKS NOR DESIRES DIRECT INTERVENTION BY
THE US OR ANYONE ELSE.

37. THE PRESIDENT SAID THIS WOULD ALL HAVE TO BE STUDIED
CAREFULLY. IT WAS DIFFICULT TO KNOW WHAT SOMOZA WANTED--
RETAIN POWER, RETAIN HIS WEALTH, SAVE HIS FAMILY--OR WHAT
HE WOULD EXCHANGE FOR EARLY ELECTIONS. THE US COULD NOT
TAKE DIRECT ACTION, BUT WE SHOULD STUDY THE SITUATION AND
THINK ABOUT WHAT COULD BE DONE. THERE SHOULD BE FURTHER
DISCUSSION.

38. CAP SAID THAT SOMOZA COULD NOT LAST TO 1981.
GUERILLA ACTIONS WILL INCREASE, AND WE COULD BE SURE THAT
CASTRO WOULD CONTRIBUTE TO THIS. HE WANTED TO CALL
PRESIDENT CARTER'S ATTENTION TO THE GRAVITY OF THE PROBLEM
AND ITS DANGERS; IT WAS LIKE 1958 IN CUBA. CAP SAID HE WAS
IN TOUCH WITH A WIDE RANGE OF MEODERATE CIVIC LEADERS AND
PRIVATE BUSINESSMEN. HE IS FULLY CONVINCED THAT IN THEIR
DESPAIR THEY WILL SUPPORT THE GUERRILLAS.

39. VII. CONVENTIONAL ARMS RESTRAINT. (THIS TOPIC ENDED

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THE DISCUSSION; THE AMBASSADOR WAS NOT PRESENT FOR MOST OF
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THIS. PRESIDENT CARTER DID PROMISE CAP TO PROVIDE HIM
WITH A COPY OF HIS DIRECTIVE ON ARMS TRANSFERS WHICH
MIGHT PROVIDE IDEAS FOR A VENEZUELAN INITIATIVE TO
REVIVE AYACUCHO.)
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Film Number: D780140-0652
Format: TEL
From: CARACAS
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t1978035/aaaaador.tel
Line Count: 560
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: fa61f2c3-c288-dd11-92da-001cc4696bcc
Office: ACTION SS
Original Classification: CONFIDENTIAL
Original Handling Restrictions: ONLY, STADIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 11
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: ONLY, STADIS
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 15 jul 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3275905
Secure: OPEN
Status: NATIVE
Subject: FIRST PEREZ-CARTER BILATERAL
TAGS: PEPR, OVIP, VE, US, (CARTER, JIMMY), (PEREZ, CARLOS ANDRES)
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/fa61f2c3-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014